



# Senate

General Assembly

**File No. 215**

February Session, 2018

Senate Bill No. 271

*Senate, April 4, 2018*

The Committee on Planning and Development reported through SEN. CASSANO, S. of the 4th Dist. and SEN. LOGAN of the 17th Dist., Chairpersons of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT EXEMPTING CERTAIN TANGIBLE PERSONAL PROPERTY OWNED BY A BUSINESS FROM THE PROPERTY TAX.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-81 of the 2018 supplement to the general  
2 statutes is amended by adding subdivision (79) as follows (*Effective*  
3 *October 1, 2018, and applicable to assessment years commencing on or after*  
4 *October 1, 2018*):

5 (NEW) (79) Tangible personal property with an original value of not  
6 more than two hundred fifty dollars that is owned by a business  
7 organization, provided this exemption shall not apply for the first ten  
8 full assessment years following the assessment year in which the  
9 property was acquired.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2018, and applicable to assessment years commencing on or after October 1, 2018</i>	12-81
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**PD**      *Joint Favorable*

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The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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***OFA Fiscal Note***

***State Impact:*** None

***Municipal Impact:***

<b>Municipalities</b>	<b>Effect</b>	<b>FY 19 \$</b>	<b>FY 20 \$</b>
Various Municipalities	STATE MANDATE - Grand List Reduction	None	Minimal

***Explanation***

There is a grand list reduction associated with the bill, which exempts personal property that is valued at less than \$250 and has been owned by a business for at least ten assessment years. A grand list reduction results in a shift in tax burden to other residents to make up for any revenue loss the town may experience as a result of bill.

***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

**OLR Bill Analysis****SB 271*****AN ACT EXEMPTING CERTAIN TANGIBLE PERSONAL PROPERTY OWNED BY A BUSINESS FROM THE PROPERTY TAX.*****SUMMARY**

This bill exempts from the property tax certain tangible personal property owned by a business organization. Under the bill, property is exempt if the business has owned it for 10 full assessment years and its original value did not exceed \$250.

EFFECTIVE DATE: October 1, 2018, and applicable to assessment years beginning on or after that date.

**COMMITTEE ACTION**

Planning and Development Committee

Joint Favorable

Yea 22 Nay 0 (03/16/2018)